

Decision 89 01 005 JAN11 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SHUTTLE EXPRESS, INC.,)
dba "Shuttle Express", for)
certificate of public convenience)
and necessity to operate as a stage)
corporation between points within)
the County of San Francisco and San)
Francisco International Airport.)

ORIGINAL

Application 88-04-028
(Filed April 11, 1988;
amended May 9, 1988)

Colette Jolicoeur, Attorney at Law, for
Shuttle Express, Inc., applicant.
Stephan C. Leonoudakis, Attorney at Law, for
SFO Airporter, Inc., protestant.
Paul V. Grosz and C. Leon Collett, for Yellow
Cab Co-op, doing business as Yellow Airport
Shuttle; C. Andy de Paule, for Good
Neighbors Airport Shuttle; Arik Sharabi, for
California Mini Bus; and Francisio J.
Solorio, for himself; interested parties.
Thomas E. Enderle, for the Transportation
Division.

OPINION

Shuttle Express, Inc., a California corporation doing business as Shuttle Express, Inc., requests a certificate of public convenience and necessity under § 1031 et seq. of the California Public Utilities (PU) Code to establish and operate an on-call passenger stage service between points within the City and County of San Francisco and the San Francisco International Airport.

Protest to the application having been filed by SFO Airporter, Inc. (Airporter), a duly noticed public hearing was held in San Francisco on August 9 and 10, 1988 before Administrative Law Judge Orville I. Wright. The matter was submitted for decision on October 11, 1988, opening and reply briefs having been submitted by applicant and by protestant.

Need for the Service

The application states that there is a Middle Eastern population of approximately 50,000 persons in the San Francisco Bay Area which applicant seeks to serve.

In support of this objective, applicant produced a petition signed by 98 Arabic speaking residents under the following statement:

"We, the undersigned Arabic speaking residents, highly recommend Shuttle Express Services due to the fact that most members of the company speak the Arabic Language which is more convenient for those who do not speak good English in addition to our relatives and friends who visit us from the Middle East and do not speak English at all."

Four public witnesses whose names appeared on the petition took time off from their respective employments to come to the hearing and testify directly on applicant's behalf. As a result of such authentication, the survey was received into evidence.

Applicant, in our view, has demonstrated that there is a significant segment of the population which would utilize applicant's proposed on-call airport shuttle service.

Ability to Provide the Service

Applicant's operating personnel are experienced in airport shuttle and taxicab service.

A balance sheet for the corporation shows \$74,000 in start-up capital, including \$36,645 cash in bank and \$30,000 share subscriptions receivable. Additional investment funds are available to the corporation, if needed, according to testimony of the principal shareholders.

While the record indicates that applicant's first year profit projection of \$63,400 may be unrealistic, we find that applicant has sufficient financial resources on hand and available

to it to adequately fund its proposed venture in accordance with the operational plan to which it testified.

Protest of Airporter

Airporter conducts scheduled service from a number of San Francisco hotels to and from SFO. The nature of this service makes it apparent that Airporter cannot provide the door-to-door on-call service which applicant seeks to establish. As applicant's service is demand responsive, it also seems clear that it will compete incidentally, if at all, with Airporter's scheduled hotel pickups.

Findings of Fact

1. Public convenience and necessity require the on-call airport shuttle service proposed by applicant.
2. Applicant has the ability, equipment, and financial resources to perform the proposed service.
3. The record shows that Airporter will not provide on-call service, as proposed by applicant, to the satisfaction of the Commission.
4. As the evidence is that there is an immediate need for the proposed service, this order should be effective on the date of signing.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

Public convenience and necessity have been demonstrated, and a certificate should be granted to applicant.

Only the amount paid to the state for operative rights may be used in rate fixing. The state may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Shuttle Express, Inc., authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-4987, to transport persons and their baggage.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start; allow at least 10 days notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.
- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol Safety Rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the transportation reimbursement fee required by PU Code § 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has

evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. The application is granted as set forth above.

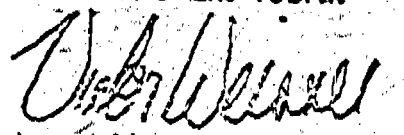
This order is effective today.

Dated JAN 11 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
JOHN B. CHANIAN
Commissioners

Commissioner Stanley W. Hulett
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Victor Weiss, Executive Director
ps

T/TE/tc

Appendix PSC-4987

Shuttle Express, Inc.

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 89 01 005, dated JAN 11 1989
of the Public Utilities Commission of the State of California, in
Application 88-04-028.

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Appendix PSC-4987

Shuttle Express, Inc.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Shuttle Express, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized as a passenger stage corporation to provide on-call services to transport passengers and baggage between points in the City and County of San Francisco and San Francisco International Airport subject to the following provisions:

- a. When route descriptions are given in one direction, they apply to operation in either direction, unless otherwise indicated.
- b. No service shall be provided to or between intermediate points. Only passengers originating at or destined to San Francisco International Airport will be transported.
- c. The term "on-call" as used refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service will be rendered.

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- d. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

SECTION 2. ROUTE DESCRIPTIONS.

Route 1

Commencing in the San Francisco Service Area then over and along the most convenient streets and highways to San Francisco International Airport.

SECTION 3. AUTHORIZED SERVICE AREA

Area 1

The San Francisco service territory is defined for this certificate as all the territory with the limits of the City and County of San Francisco.

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